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10 Telephone: (702) 873-9500  
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12 Attorneys for Secured Creditor,  
13 Premium Financing Specialists, Inc.

8  
9 UNITED STATES BANKRUPTCY COURT  
10 DISTRICT OF NEVADA

11 In re: ) CASE NO. BK-09-52177-GWZ  
12 WES CONSTRUCTION ) CHAPTER 7  
13 COMPANY, INC., )  
14 Debtor. ) Date: February 1, 2011  
15 ) Time: 2:00 p.m.

16 **DECLARATION IN SUPPORT OF PREMIUM FINANCING SPECIALISTS, INC.'S**  
17 **APPLICATION FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE**  
18 **EXPENSE**

17 STATE OF WA  
18 COUNTY OF Spokane

19 COMES NOW, Rachel Yunk, on behalf of Premium Financing Specialists, Inc. (hereinafter  
20 "PFS"), having been duly sworn upon oath and under penalties of perjury states as follows:

- 21 1. I am the authorized individual making this statement on behalf of PFS, and have personal  
22 knowledge as to the facts asserted herein, except as to those facts asserted upon information  
23 and belief and as to those assertions I believe them to be true.
- 24 2. PFS is an insurance premium finance company, whose business consists of lending money  
25 to businesses to finance their insurance premiums.
- 26 3. Debtor was, at the time of filing the petition initiating this case, and still is indebted to PFS  
27 for money borrowed for the payment of insurance premiums.
- 28 4. On about June 8, 2009, debtor entered into an insurance premium finance agreement with

1 Western Assurance Company who subsequently assigned its rights under the agreement to  
2 PFS. A true and correct copy of the agreement is attached as Exhibit A.

3 5. At Debtor's request, Western Assurance Company paid the premium for debtor's general  
4 liability and excess insurance policies for coverage for 12 months beginning June 1, 2009 in  
5 consideration for debtor's promise to pay all balances due Western Assurance Company, and  
6 now, PFS, in monthly installments.

7 6. The total of the premiums financed by PFS on the policies was \$193,434.20. Debtor made  
8 a cash down payment of \$61,220.20 and agreed to pay the balance on the loan and a finance  
9 charge in ten monthly installments of \$13,646.20 on the first day of each month beginning  
10 July 1, 2009 until the loan was repaid in full.

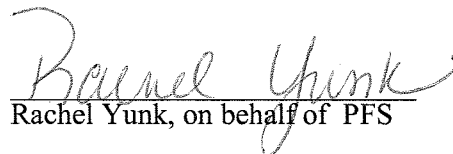
11 7. By the terms of the agreement, Debtor assigned to Western Assurance Company, now PFS,  
12 any and all unearned premiums payable under the policies scheduled therein. Said  
13 assignment was given as security for the total amount payable by Debtor to Western  
14 Assurance Company, now PFS, under the agreement.

15 8. By the terms of the agreement, Debtor irrevocably and unconditionally appointed Western  
16 Assurance Company, now PFS, as attorney-in-fact with full authority to cancel the policies  
17 scheduled in the agreement, as well as to execute and deliver on behalf of the debtor all  
18 documents, forms and notices relating to the policies scheduled in the agreement, and to  
19 obtain all unearned and return premiums.

20 9. Debtor is in default of the payments due under the agreement.

21 10. As of November 1, 2010, after having cancelled the policy and having applied all unearned  
22 and return premiums, the unpaid balance under the finance agreement is \$19,152.96, plus  
23 attorney's fees and costs.

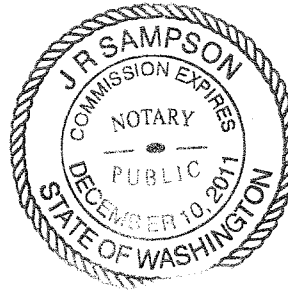
24 DATED this 15 day of December, 2010.

25  
26   
27 Rachel Yunk, on behalf of PFS

28 SUBSCRIBED AND SWORN TO

1 BEFORE ME, A NOTARY PUBLIC  
2 THIS 15th DAY OF DECEMBER 2010

3 J. R. Sampson



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**Exhibit A**

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Shirley Aguirre

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AN AFFILIATE OF A AND H INSURANCE INC  
RENO, NV 89502  
(775)829-2600 FAX: (775)829-2607

## WESTERN ASSURANCE COMPANY

## PREMIUM FINANCE AGREEMENT

<b>A</b>	<b>CASH PRICE (TOTAL PREMIUMS)</b>	<b>\$193,434.20</b>	<b>AGENT</b> (Name & Place of business) A & H INSURANCE COMPANY - RENO 3301 S VIRGINIA ST #201 RENO NV 89502 (775)829-2600	<b>INSURED</b> (Name and residence or business) WES CONSTRUCTION INC P O BOX 33099 RENO NV 89533 (775)329-8641
<b>B</b>	<b>CASH DOWN PAYMENT</b>	<b>\$61,220.20</b>		
<b>C</b>	<b>PRINCIPAL BALANCE (A MINUS B)</b>	<b>\$132,214.00</b>		

## LOAN DISCLOSURE

Quote Number: 21915

<b>ANNUAL PERCENTAGE RATE</b> The cost of your credit as a yearly rate <b>8.95 %</b>	<b>FINANCE CHARGE</b> The dollar amount the credit will cost you <b>\$4,248.00</b>	<b>Amount Financed</b> The amount of credit provided to you or on your behalf. <b>\$132,214.00</b>	<b>Total of Payments</b> The amount you will have paid after you have made all payments as scheduled. <b>\$136,462.00</b>
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## YOUR PAYMENT SCHEDULE WILL BE

<b>Number of Payments</b> 10	<b>Amount of Payments</b> \$13,646.20	<b>When Payments Are Due</b> Beginning: <b>MONTHLY</b> 7/1/2009
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ITEMIZATION OF THE AMOUNT FINANCED:  
THE FULL AMOUNT FINANCED WAS PAID  
TO THE INSURANCE COMPANY

**Security:** You are giving a security interest in the unearned premiums and, on commercial policies, loss payments which will reduce the unearned premium of the policies.

**Late Charges:** A late charge will be imposed on any installment in default 5 days or more. This late charge will be 5% of the installment due.

**Prepayment:** If you pay your account off early, you may be entitled to a refund of a portion of the finance charge in accordance with Rule of 78's. The finance charge includes a predetermined interest rate plus a non-refundable service/origination fee of \$25.

POLICY REFERENCE	EFFECTIVE DATE	SCHEDULE OF PREMIUMS	COVERAGE	PREMIUM
PENDING	6/1/2009	IRONSHORE SPECIALTY INSURANCE COMPA CRUMP INSURANCE SERVICES	GL FEES TAXES	12 \$127,000.00 \$10,859.20 \$4,893.00
PEC000319107	6/1/2009	GREENWICH INSURANCE COMPANY XL ENVIRONMENTAL		\$10,432.00

Western Assurance Company  
Account Number **243007**  
For value received the undersigned hereby assigns to Premium Financing Specialists Inc. The rights, title, and interest in and to the foregoing Premium Finance Agreement.

(CHECK CORRECT BOX) ☐ PERSONAL ☒ COMMERCIAL

Continued On Schedule A

TOTAL \$ **193,434.20**

The undersigned insured directs WESTERN ASSURANCE COMPANY (herein, "Lender") to pay the premiums on the policies described above in consideration of such premium payments the insured agrees to pay Lender at the branch office address shown above, or as otherwise directed by Lender the amount stated as Total of Payments in accordance with the Payment Schedule, both as shown in Loan Disclosure, subject to the Provisions herein set forth.

The named insured:

1. Assigns to Lender as security for the total amount payable hereunder all unearned premiums and, on commercial policies, loss payments which will reduce the unearned premium which become payable under the policies listed above, as to all of which Insured gives to Lender a security interest.
2. Irrevocably appoints Lender attorney-in-fact of the insured with full power of substitution and full authority upon default to cancel all policies above identified, receive all sums assigned to Lender or in which it has granted Lender a security interest and to execute and deliver on behalf of the insured documents, instruments, forms and notices relating to the listed insurance policies in furtherance of this agreement.
3. Understands that the finance charge begins to accrue as of the earliest policy effective date.

(10/07) Copyright 1988 Premium Financing Specialists, Inc.

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4. Agrees to all provisions set out on pages 1 and 2 of this agreement.

## NOTICE:

- A. Do not sign this agreement before you read it or if it contains any blank space.
- B. You are entitled to a completely filled in copy of this agreement.
- C. Under the law, you have the right to pay in advance the full amount due and under certain conditions to obtain a partial refund of the finance charge.

- D. Keep your copy of this agreement to protect your legal rights.

The undersigned hereby warrants and agrees to Agent's Representations set forth herein.

SIGNATURE OF AGENT

6/8/09  
DATE

6/8/09  
DATE

05/08/09

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Shirley Aguirre

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<b>AGENT</b> <b>A &amp; H INSURANCE COMPANY - RENO</b>  3301 S VIRGINIA ST #201  RENO NV 89502 (775)829-2600	<b>INSURED</b> <b>WES CONSTRUCTION INC</b>  P O BOX 33099  RENO NV 89533 (775)329-8641
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**SCHEDULE A**

Quote Number: 21915

STATUS	DATE	INSURANCE COMPANY	COVERAGE	AMOUNT
PENDING	6/1/2009	EVEREST NATIONAL INSURANCE CO SWETT INS MANAGERS-SEATTLE	EXCESS FEES	12 \$39,000.00 \$1,250.00

**FALL**  
**JUN 09**  
**PREMIUM FINANCING**  
**SPECIALIST**



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A & H INSURANCE COMPANY - RENO  
3301 S VIRGINIA ST #201  
RENO, NV 89502  
(775)829-2600

WES CONSTRUCTION INC  
415 PARR CIRCLE  
RENO, NV 89512  
(775)329-8641

Accepted	06/11/2009	Status	BAD
First	07/01/2009	Commercial	
Next	12/01/2009	Coupon	
Maturity	04/01/2010	Do Not Bill On Due	
Payments	5 of 10	Installment	\$13,646.20
APR	6.950%	Last Payment	11/12/2009

Total Premium	\$193,434.20	Current Balance	\$68,231.00	Late Fees	\$741.83
Down Payment	\$61,220.20	Principal	\$67,061.37	Default Fees	\$0.00
Amount Financed	\$132,214.00	Unearned	\$1,169.63	Check Fees	\$0.00
Finance Charge	\$4,248.00	Credit Amount	\$0.00	NSF Fees	\$0.00
Doc Stamp	\$0.00	Earned	\$3,078.37	Total Fees	\$741.83
Broker Fee	\$0.00	Finance Adjustment	\$0.00		
Total Payments	\$136,462.00			Total Due	\$68,972.83

## Transaction History

Posted/Received	Amount	Source	Method	Due On	Code	Principal	Interest	Credit	Late	Default	NSF	Check
12/07/09	\$682.31	Internal	Wife	12/01/09	LC	\$0.00	\$0.00	\$0.00	\$682.31	\$0.00	\$0.00	\$0.00
11/12/09	-\$13,646.20	Internal	Wife	11/01/09	RG	-\$13,181.46	-\$464.74	\$622.79	-\$622.79	\$0.00	\$0.00	\$0.00
11/08/09	\$682.31	Insured	Check	11/01/09	LC	\$0.00	\$0.00	\$0.00	\$682.31	\$0.00	\$0.00	\$0.00
10/06/09	-\$14,268.99	Insured	Check	10/01/09	RG	-\$13,105.56	-\$540.64	-\$622.79	\$0.00	\$0.00	\$0.00	\$0.00
09/21/09	-\$14,328.51	Insured	Check	09/01/09	RG	-\$13,030.09	-\$616.11	\$0.00	-\$682.31	\$0.00	\$0.00	\$0.00
09/08/09	\$682.31	Insured	ACH	09/01/09	LC	\$0.00	\$0.00	\$0.00	\$682.31	\$0.00	\$0.00	\$0.00
08/25/09	-\$14,328.51	Insured	ACH	08/01/09	RG	-\$12,955.06	-\$691.14	\$0.00	-\$682.31	\$0.00	\$0.00	\$0.00
08/06/09	\$682.31	Insured	Check	08/01/09	LC	\$0.00	\$0.00	\$0.00	\$682.31	\$0.00	\$0.00	\$0.00
06/29/09	-\$13,646.20	Insured	Check	07/01/09	RG	-\$12,880.46	-\$765.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

## Policy(s)

Policy #	Effective	Coverage	Term	Premium	Fees & Taxes	Company	General Agent	Broker
00HUB0905001	06/01/2009	GL	12	\$127,000.00	\$15,752.20	IRONSHORE SPECIALTY INSURANCE ONE STATE STREET PLAZA #74 NEW YORK, NY 10004 (946)826-6600	CRUMP INSURANCE SERVICES 5613 DTC PKWY SUITE 425 GREENWOOD VILLAGE, CO 80111 (303)386-8020	
PEC000319107	06/01/2009	POLLTN	12	\$10,432.00		GREENWICH INSURANCE COMPANY SEAVIEW HOUSE 70 SEAVIEW AVE STAMFORD, CT 06902-6040 (203)964-5200	XL ENVIRONMENTAL 620 EAGLEVIEW BLVD EXTON, PA 19341 (800)327-1414	

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## Policy(s)

Policy #	Effective	Coverage	Term	Premium	Taxes & Fees	Company	General Agent	Broker
71C700008708	08/01/2009	EXCESS	12	\$39,000.00	\$1,250.00	EVEREST NATIONAL INSURANCE CO PO BOX 830	SWEET INS MANAGERS--SEATTLE 720 OLIVE WAY SUITE #1800	
						LIBERTY CORNER, NJ 07938-0830 (908)804-3000	SEATTLE, WA 98101-1864 (206)448-9400	

## Payment Schedule

Due Date	Date Paid	Installment	Status	APB	Late Charges	Default	NSF	Client Intent
07/01/09	06/29/09	\$13,646.20	PAID	\$119,333.54				
08/01/09	08/25/09	\$13,646.20	PAID	\$108,378.48	\$682.31			08/08/09
09/01/09	09/21/09	\$13,646.20	PAID	\$98,348.39	\$682.31			09/08/09
10/01/09	10/05/09	\$13,646.20	PAID	\$80,242.83				
11/01/09	11/12/09	\$13,646.20	PAID	\$67,061.37	\$682.31			11/06/09
12/01/09		\$13,646.20	PAST DUE	\$53,803.57	\$682.31			12/07/09
01/01/10		\$13,646.20	DUE ON	\$40,468.98				
02/01/10		\$13,646.20	DUE ON	\$27,057.16				
03/01/10		\$13,646.20	DUE ON	\$13,567.67				
04/01/10		\$13,646.20	DUE ON	\$0.00				

## Disbursements

Origin	Pay To	Method	Release	Days	Payable On	Paid Date	Payable Amount	Type	Number
06/11/2009	AGENT	ACH	IMMEDIATE	0	06/11/2009	06/11/2009	\$97,572.40	F	
06/11/2009	AGENT	ACH	IMMEDIATE	0	06/11/2009	06/11/2009	\$7,130.36	F	
06/11/2009	AGENT	ACH	IMMEDIATE	0	06/11/2009	06/11/2009	\$27,511.24	F	

## Mailings

Sent	Created	Mailing	Sent To	Name	Print To
12/07/2009	12/07/2009	NOTICE OF INTENT TO CANCEL	Insured	WES CONSTRUCTION INC	OUTSOURCE
12/07/2009	12/07/2009	NOTICE OF INTENT TO CANCEL	Producer	A & H INSURANCE COMPANY - RENO	LOCAL
11/23/2009	11/23/2009	NOTICE TO THE INSURED	Insured	WES CONSTRUCTION INC	OUTSOURCE
11/12/2009	11/12/2009	NOTICE OF PAYMENT DUE	Insured	WES CONSTRUCTION INC	OUTSOURCE
11/06/2009	11/06/2009	NOTICE OF INTENT TO CANCEL	Insured	WES CONSTRUCTION INC	OUTSOURCE
11/06/2009	11/06/2009	NOTICE OF INTENT TO CANCEL	Producer	A & H INSURANCE COMPANY - RENO	LOCAL
09/18/2009	09/18/2009	NOTICE TO THE INSURED	Insured	WES CONSTRUCTION INC	OUTSOURCE
09/08/2009	09/08/2009	NOTICE OF INTENT TO CANCEL	Insured	WES CONSTRUCTION INC	OUTSOURCE
09/08/2009	09/08/2009	NOTICE OF INTENT TO CANCEL	Producer	A & H INSURANCE COMPANY - RENO	LOCAL



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## Mailings

Sent	Created	Mailing	Sent To	Name	Print To
08/26/2009	08/26/2009	NOTICE OF FINANCED PREMIUM	Company	IRONSHORE SPECIALTY INSURANCE CO	OUTSOURCE
08/26/2009	08/26/2009	NOTICE OF FINANCED PREMIUM	General Agent	XL ENVIRONMENTAL	OUTSOURCE
08/26/2009	08/26/2009	NOTICE OF FINANCED PREMIUM	Company	EVEREST NATIONAL INSURANCE CO	OUTSOURCE
08/26/2009	08/26/2009	NOTICE OF FINANCED PREMIUM	Company	GREENWICH INSURANCE COMPANY	OUTSOURCE
08/26/2009	08/26/2009	NOTICE OF FINANCED PREMIUM	General Agent	CRUMP INSURANCE SERVICES	EMAIL
08/25/2009	08/25/2009	ACH PAYMENT LETTER	Insured	WES CONSTRUCTION INC	LOCAL
08/20/2009	08/20/2009	PENDING POLICY REQUEST	Producer	A & H INSURANCE COMPANY - RENO	OUTSOURCE
08/20/2009	08/20/2009	NOTICE TO THE INSURED	Insured	WES CONSTRUCTION INC	OUTSOURCE
08/20/2009	08/20/2009	PENDING POLICY REQUEST	General Agent	SWETT INS MANAGERS--SEATTLE	EMAIL
08/17/2009	08/14/2009	PENDING POLICY REQUEST	General Agent	SWETT INS MANAGERS--SEATTLE	EMAIL
08/14/2009	08/14/2009	PENDING POLICY REQUEST	Producer	A & H INSURANCE COMPANY - RENO	OUTSOURCE
08/14/2009	08/14/2009	NOTICE OF FINANCED PREMIUM	Company	IRONSHORE SPECIALTY INSURANCE CO	OUTSOURCE
08/14/2009	08/14/2009	NOTICE OF FINANCED PREMIUM	General Agent	XL ENVIRONMENTAL	OUTSOURCE
08/14/2009	08/14/2009	NOTICE OF FINANCED PREMIUM	Company	EVEREST NATIONAL INSURANCE CO	OUTSOURCE
08/14/2009	08/14/2009	NOTICE OF FINANCED PREMIUM	Company	GREENWICH INSURANCE COMPANY	OUTSOURCE
08/14/2009	08/14/2009	NOTICE OF FINANCED PREMIUM	General Agent	CRUMP INSURANCE SERVICES	EMAIL
08/14/2009	08/14/2009	NOTICE OF INTENT TO CANCEL	Insured	WES CONSTRUCTION INC	OUTSOURCE
08/06/2009	08/06/2009	NOTICE OF INTENT TO CANCEL	Producer	A & H INSURANCE COMPANY - RENO	LOCAL
07/30/2009	07/30/2009	PENDING POLICY REQUEST	Producer	A & H INSURANCE COMPANY - RENO	OUTSOURCE
07/30/2009	07/30/2009	NOTICE OF FINANCED PREMIUM	Company	IRONSHORE SPECIALTY INSURANCE CO	OUTSOURCE
07/30/2009	07/30/2009	NOTICE OF FINANCED PREMIUM	General Agent	XL ENVIRONMENTAL	OUTSOURCE
07/30/2009	07/30/2009	NOTICE OF FINANCED PREMIUM	Company	EVEREST NATIONAL INSURANCE CO	OUTSOURCE
07/30/2009	07/30/2009	NOTICE OF FINANCED PREMIUM	Company	GREENWICH INSURANCE COMPANY	OUTSOURCE
07/30/2009	07/30/2009	NOTICE OF FINANCED PREMIUM	General Agent	CRUMP INSURANCE SERVICES	EMAIL
07/30/2009	07/30/2009	PENDING POLICY REQUEST	General Agent	SWETT INS MANAGERS--SEATTLE	EMAIL
06/11/2009	06/11/2009	PENDING POLICY REQUEST	Producer	A & H INSURANCE COMPANY - RENO	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	Company	IRONSHORE SPECIALTY INSURANCE CO	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	General Agent	XL ENVIRONMENTAL	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	Company	EVEREST NATIONAL INSURANCE CO	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	Company	GREENWICH INSURANCE COMPANY	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	Insured	WES CONSTRUCTION INC	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF ACCEPTANCE AND ASSIGNMENT	Producer	A & H INSURANCE COMPANY - RENO	OUTSOURCE
06/11/2009	06/11/2009	COUPONS	Insured	WES CONSTRUCTION INC	OUTSOURCE
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	General Agent	CRUMP INSURANCE SERVICES	EMAIL
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	General Agent	CRUMP INSURANCE SERVICES	EMAIL
06/11/2009	06/11/2009	PENDING POLICY REQUEST	General Agent	SWETT INS MANAGERS--SEATTLE	EMAIL

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## Mailings

Sent	Created	Mailing	Sent To	Name	Print To
06/11/2009	06/11/2009	NOTICE OF FINANCED PREMIUM	General Agent	SWETT INS MANAGERS-SEATTLE	EMAIL
06/11/2009	06/11/2009	NOTICE OF ACCEPTANCE AND ASSIGNMENT	Insured	WES CONSTRUCTION INC	LOCAL